VZCZCXRO8000 OO RUEHROV DE RUEHJM #1486 2330900 ZNR UUUUU ZZH O 210900Z AUG 09 FM AMCONSUL JERUSALEM TO RUEHC/SECSTATE WASHDC IMMEDIATE 5818 RHEHAAA/WHITE HOUSE WASHDC RHEHNSC/WHITE HOUSE NSC RUEKJCS/SECDEF WASHDC RUEKJCS/DIA WASHDC RUEAIIA/CIA WASHDC RUEADWD/DA WASHINGTON DC//DAS-ZD/DACS-ZK// RUEAHQA/CSAF WASHINGTON DC//POLAD// RHMFIUU/CMC WASHINGTON DC RHMFIUU/CNO WASHINGTON DC//POLAD// INFO RUEHXK/ARAB ISRAELI COLLECTIVE RUEHTU/AMEMBASSY TUNIS 7828 RUEHLO/AMEMBASSY LONDON 4800 RUEHFR/AMEMBASSY PARIS 4648 RUEHNC/AMEMBASSY NICOSIA 6141 RUEHRO/AMEMBASSY ROME 4567 RUCNDT/USMISSION USUN NEW YORK 3146

UNCLAS JERUSALEM 001486

SIPDIS

STATE PASS BBG STATE FOR NEA, NEA/IPA, NEA/PPD WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC CMC WASHINGTON DC FOR POLAD

JERUSALEM ALSO FOR ICD LONDON FOR HKANONA AND POL - TSOU PARIS ALSO FOR POL ROME FOR MFO

E.O. 12958: N/A

TAGS: PREL KMDR KPAL KWBG KPAO IS

SUBJECT: JERUSALEM MEDIA REACTION (08/21): Palestinians await new US peace plan

Main Stories:

All front pages lead with news that US Special Envoy George Mitchell is finalizing the peace plan that the US will unveil early next month. The reports note that President Barack Obama telephoned Jordanian King Abdullah on August 20 to say that the US wants to see the Palestinians and Israelis pursue peace talks as soon as possible. Obama urged the Palestinians, Israelis and Arab states to take positive steps to support this process, according to coverage. White House Spokesman Robert Gibbs is quoted in the local press saying that "President Obama announced that George Mitchell will be meeting with both parties during the next weeks to discuss the measures that the Israelis and Palestinians have to take on in order to lay the foundations for the peace talks."

Al-Hayat Al-Jadida and Al-Quds front page news that the US State Department complained to the Government of Israel about the new travel restrictions imposed on US citizens travelling to the West Bank and Israel. The reports note that the State Department is awaiting clarification concerning these measures before any future steps are taken. The report also quotes State Department Spokesman Ian Kelley noting that the US expects all American citizens to be treated equally regardless of their national origin.

The local press highlights the tensions inside the Israeli government after the August 19 statement by Israeli Minister of Strategic Affairs and Vice Premier Moshe Yaalon in which he criticized the Peace Now movement - calling it a "virus" - and stressed that settlement construction will continue despite US pressure. The reports note that Israeli Prime Minister Benjamin Netanyahu is seeking clarification from Yaalon.

Al-Quds front pages a report on an opinion poll that was carried out jointly by an Israeli-Palestinian polling center on US policy in the Middle East. 64% of the Palestinians polled believe that President Obama's policy is biased towards Israel, while 45% of the Israelis polled believe that Israel must respond positively to US pressure in order to pursue the peace process.

BLOCK QUOTES:

- 1) Samih Shbeib opines in Al-Ayyam independent daily under the title, "Prospects of the Palestinian Dialogue" (08/21): "I totally believe that if Hamas and Fatah want to end the internal division and support the national unity dialogue, they can do so immediately. However, regional powers are not yet ready for such a reconciliation. This is what is obstructing and will continue to obstruct the Palestinian dialogue."
- 2) Al-Quds independent daily runs an editorial under the title "Endless arguments about settlements?" (08/21): "The continuous argument inside the Israeli government concerning the halt of settlement activity is ridiculous and has become a vicious cycle. None of the Israelis want to see a freeze in settlement construction, so they propose different formulas ... We hope that President Obama's anticipated peace plan will undermine the Israeli plans and will meet our [Palestinian] expectations."

WALLES